
Concordia University Texas

Austin, Texas

Board Policy Manual

Policy Based Leadership

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1. Desired Outcome Policies

Reviewed 08/13/2020

Graduates of Concordia University Texas, having encountered Christ and a Christian worldview, will:

Benefit people's lives through their chosen vocation;

Lead with confidence and critical thought;

Serve others in love and action.

2. Board Self-Governance Policies

2.1 Board Governance

The Board's primary responsibility is to define and ensure the fulfillment of the mission of the University. To accomplish this, the Board delegates to the President/CEO of the University all actions and administrative decisions that are deemed necessary to attain the organizational outcomes approved by the Board of Regents. The Board recognizes it can delegate this authority, but in doing so it does not surrender its responsibility for the fulfillment of the mission of the University. The work of the Board is outlined and directed by its Articles of Incorporation, Bylaws, and Policies

Without being subject to the authority of or governance by the Lutheran Church – Missouri Synod ("LCMS"), the University will operate as an educational institution that is aligned with LCMS and subscribes to the Confession of the LCMS as currently outlined in Article II of the LCMS Constitution.

All determinations regarding the University's alignment with the Lutheran Church – Missouri Synod, including but not limited to, the University's subscription and adherence to the Confession of the LCMS as currently outlined in Article II of the LCMS Constitution, and qualifications for board members and the presidency, will be subject to and determined by the sole and exclusive discretion of the Board of Regents.

2.1.1 The Board shall annually review the Articles of Incorporation and Bylaws.

2.1.2 The Board shall keep an Annual Calendar and Agenda to ensure it fulfills all of its duties.

2.1.3 The membership of the Board is outlined in its Bylaws.

2.2 Accepting Responsibilities

Members of the Board of Regents have a responsibility to each other, the employees, and the students.

- 2.2.1 They shall attend regular Board meetings unless absence is excused.
- 2.2.2 They shall make every effort to be prepared for the Board meetings.
- 2.2.3 They shall become familiar with the areas that apply to Concordia University Texas in its Articles of Incorporation, Bylaws, and regulations of all accreditation agencies.
- 2.2.4 They shall become familiar with the Policy Governance (Carver) model and the policies in this Board Policy Manual.
- 2.2.5 They shall participate in Board meetings, special briefings, and policy decision-making, preparing in advance.
- 2.2.6 They shall make informed decisions by insisting on complete and accurate information.
- 2.2.7 They shall support all decisions once they have been fully discussed and resolved by the Board.
- 2.2.8 They shall invest personal energy and skills in the purposes and objectives of Concordia University Texas, seeking opportunities at CTX's campuses and elsewhere where individual skills and abilities can be applied, to include actively participating in support of the University, especially ceremonial occasions.
- 2.2.9 They shall provide regular, ongoing financial support for the university.
- 2.2.10 They shall actively discipline themselves and other Members of the Board of Regents by identifying Board actions and conditions that run counter to these policies.
- 2.2.11 They shall bring to the Board Chair's immediate attention any condition or action that they believe exceeds a limitation policy.

2.3 Enunciating Governing Policies & Values

The Board shall maintain written policies of four types:

- 2.3.1 Policies of Outcome Results
Affirmative statement setting forth the Targeted Means and acceptable costs of operation.
- 2.3.2 Policies of Board Self-Governance
Statements setting forth the style and rules of the Board's own tasks and procedures.
- 2.3.3 Policies of Board and Executive Relationship
Clarifying statements about delegation to and monitoring of management.
- 2.3.4 Policies of Executive Limitations
Limiting statements binding management.

2.4 Governing Process

2.4.1 Scope of Activities

All activities of the Board, its officers, committee(s) or individual Members shall relate to the specific responsibilities of the Board as formally adopted at Board meetings. Members of the Board of Regents are disciplined by this principle.

2.4.2 Group Action

The Board shall exercise its governing authority as a whole. No individual member of the Board of Regents may exercise such authority except as instructed by the Board. A simple majority constitutes a Board quorum.

2.4.3 Policy Development

The Board policies are to be active and dynamic. They are meant to be changed and refined regularly, based on the intent of each section, the values of the Board, and the changing context within which the University functions.

2.4.3.1 Resolutions

The Board shall pass resolutions for specific actions only where the action shall affect solely the Board, as is specifically required in these policies, Bylaws, or the Articles of Incorporation.

2.4.3.2 Executive Actions

All Board actions governing actions of the University President/CEO shall be done through policy development when possible. Any actions taken or contemplated by the University President/CEO or any which may be or have been approved through the President/CEO, shall only be considered in light of the appropriate governing policies. The Board shall only review the policies for their compliance with Section 2.4 of the Bylaws of the University, and their adequacy in regard to Christian ethics, prudence, and other governing documents, and shall not dictate what are appropriate President/CEO actions except for compliance with policies. The Board shall rewrite policies when appropriate.

2.4.3.3 Policy Review

Any member of the Board of Regents, the President/CEO, or appropriate governing body may ask for a review of specific policies. However, never does the responsibility for effective and appropriate policies rest with anyone other than the Concordia University Texas Board of Regents.

2.4.3.4 Policy Review Calendar

The Board of Regents shall establish a policy review calendar to coordinate the review of every policy at least every three years. They shall make every effort to coordinate the calendar with the business cycles of the University, reviewing appropriate policies just

prior to required management actions or decisions.

2.4.3.5 New Policy Adoption

Any new policy may be brought before the Board for adoption by either an individual Board member or the President/CEO. New policies shall first be sent to the Governance committee for review and then placed on the agenda prior to the meeting at which the policy will be heard.

2.4.3.6 Emergency Policy Adoption

When policies need to be developed and adopted quickly in order to protect the University from immediate harm or risk, the Board, contingent on a majority vote of the quorum, may choose to hear, discuss, and vote on a new policy.

2.4.4 Conflict of Interest Policy

Any possible conflict of interest on the part of any member of the Board shall be fully and promptly disclosed to the other members of the Board and made a matter of record. Disclosure shall be made at any time when such interest could affect the activities, property, employees, or services of the University or any matter potentially requiring Board action.

2.4.4.1 Any member of the Board having a possible conflict of interest on any matter shall not vote or use his personal influence on the matter and shall not be counted in determining the quorum for the meeting, even where permitted by law. The Minutes of the Board will reflect such disclosures, the abstention from voting and the existence of a quorum following such abstention.

2.4.4.2 In their dealings with the University, all Regents and the President/CEO of the University must be ever mindful of potential conflicts of interest. Before entering into transactions presenting such problems, they shall be expected to disclose to the Board the interest which may produce the conflict. The Board shall determine whether the contemplated transaction is just, fair, and reasonable to the University, and, after so determining affirmatively, the Board of Regents may authorize the transaction in the best interests of the University.

2.4.4.3 The Secretary of the Board of Regents is required to annually distribute this policy to all Board members, secure their completion of the Certificate of Compliance, and notify the Board of any reported conflicts of interest.

2.5 Connecting with Owners

A primary responsibility of the Board of Regents is to represent the owners of Concordia University Texas. This is primarily done through the development of the definition of the Outcomes for the organization. It is the Board's responsibility to actively identify segments of people that have a regular and defined ownership in the University and ask for input on desired outcomes. To fulfill this obligation:

2.5.1 The Board shall, at every triennium, identify the University's key ownership segments.

2.5.2 The Board shall regularly engage with identified owners.

2.6 Board Self-Review

In order to discipline itself and its efforts, the Board shall conduct an annual self-appraisal. The Board shall commit part of one meeting to discuss the following areas and identify areas and actions for improvement. The self-appraisal shall focus on:

- 2.6.1 The Board's openness and communication among its members.
- 2.6.2 The Board's ability and skill in developing and monitoring policy.
- 2.6.3 The Board's adherence to policy.
- 2.6.4 The Board's communication with the President/CEO.

2.7 Officers of the Board

2.7.1 Officers of the Board shall be a Chairman, Vice-Chairman, and Secretary.

2.7.2 Election of Officers

The Board of Regents elects its own officers.

2.7.2.1 Election of officers shall be held by secret ballot at the second regular board meeting of the calendar year, every three years. The elected officers shall take office at the end of the meeting at which they are elected.

2.7.2.2 Board officers shall hold office for three years.

2.7.2.3 If an officer retires, is not re-elected to the Board, or resigns prior to the completion of the term as an officer, the office will be declared vacant, and the Board shall elect a member to fill the unexpired term. If the vacant position is filled by an existing officer, the Board shall elect a Board member to fill the unexpired term of that position.

2.7.3 The officers of the Board shall not assume any part of the management of the organization. They shall confine their efforts to governing through policies. Their focus shall be on coordinating and assisting the Board.

2.7.4 The responsibilities of the officers to the Board shall be:

2.7.4.1 Chairman:

2.7.4.1.1 Establish the agenda for Board meetings in compliance with the policy calendar established by the Board and in cooperation with the President/CEO.

2.7.4.1.2 Preside at all meetings of the Board of Regents.

2.7.4.1.3 Arrange for an annual performance appraisal of the President/CEO.

2.7.4.1.4 Discuss and review corrective actions with individual Board members when they violate their responsibilities (Ref. Policy 2.2.). When resolution cannot be obtained with an individual board member, the Chairman will conduct a full board review of the policy and discussion of corrective actions.

2.7.4.2 Vice-Chairman:

2.7.4.2.1 Preside at all meetings of the Board of Regents in the absence of the Chairman.

2.7.4.3 Secretary:

2.7.4.3.1 Keep the minutes of all meetings of the Corporation and the

- Board of Regents.
- 2.7.4.3.2 Handle all official correspondence on behalf of the Board.

2.8 Committees and Task Forces of the Board

The Board may from time to time use committees and task forces, but always consistent with the following principles:

- 2.8.1 Committee and task force responsibilities shall flow directly from the Board's description of its job, shall be set forth in a formal written charge with an appropriate period for existence, and shall not impinge upon responsibilities delegated to the President/CEO.
- 2.8.2 Committees and task forces shall not do staff work except when working on a topic that is fully within the province of the Board and is not delegated in any way to the President/CEO.
- 2.8.3 Except when empowered by the Board, committees shall have no executive or deciding authority, striving to develop policy only.
- 2.8.4 Committees and task forces shall not manage any part of the University.
- 2.8.5 Standing committees of the Board are: Nominations, Governance, Finance, Investments, Theological Oversight, and Presidential Review.

2.9 Removal of a Board Member

There may be circumstances which make it advisable that members of the Board should cease to serve prior to the end of their term

2.9.1 Board members may be dismissed only for cause, which include:

- 2.9.1.1 Persistence in false doctrine and/or conduct unbecoming a Christian.
- 2.9.1.2 Persistence in violation of applicable Board policies, incapacity, or unwillingness to perform the responsibilities of a board member.
- 2.9.1.3 Violation of the board's standards of conduct expressed in the Board Policy Manual 2.2.

2.9.2 Procedures involving due process must be followed:

- 2.9.2.1 Upon the receipt by the Chairman of a written statement of cause for removal signed by four members of the board, the Chairman and Vice Chairman shall present the statement of cause to the individual and advise the specific date for full board discussion.
- 2.9.2.2 The issue shall be discussed at a properly scheduled meeting of the Board.
- 2.9.2.3 Voting shall be by written ballot with no proxy votes permitted.
- 2.9.2.4 Upon the vote by at least nine board members for removal, the individual shall no longer have the responsibilities and authority of a board member.

2.10 Election of Members

The Board shall elect members to the Board for three-year terms, renewable twice. They shall assume office on August 1 of the year of their appointment. The Board Chairman shall appoint a committee to manage the nomination process as approved by the board.

2.10.1 Board members put up for election will go through an interview process as determined by the Board.

2.10.2 New Board members will participate in an orientation prior to their first Board meeting.

3. Board and Executive Relationship Policies

These policies define the Board's responsibility to the President/CEO, and the responsibility that the President/CEO has to the Board.

3.1 Manner of Delegating

The President/CEO shall be empowered to take all actions and make all administrative decisions that are deemed necessary to attain organizational outcomes except (a) actions which are inconsistent with Section 2.4 of the Bylaws of the University, (b) violations of law, applicable regulations, orders of courts or commonly accepted business and professional ethics and (c) violations of its charter documents or specific limitations stated by the Board in policies constraining executive authority.

- 3.1.1 Except for assignments of its own work (policies) to committees, consultants or Board officers, the Board shall delegate authority only to the President/CEO. Any other party operating with the authority of Concordia University Texas shall receive that authority from the President/CEO or a person designated by him.
- 3.1.2 The Board shall address only broad levels of issues through policies of outcomes and Executive Limitations, leaving lesser levels to the discretion of the President/CEO. The President/CEO may develop management policies, guidelines, rules, or procedures and may make decisions in any way deemed fitting as long as the policies and Executive Limitations adopted by the Board are observed.
- 3.1.3 The authority of the President/CEO shall begin where the explicit pronouncements of the Board end. Except as required by law, Executive Limitations, or other policies, decisions of the President/CEO do not need approval by the Board.
- 3.1.4 Where approval for an action, other than an action specifically requiring Board approval, is required by a higher governing authority such as the Concordia University Texas By-Laws or legal constraints, the President/CEO shall bring a recommended action to the Board.

The Board shall review the recommended action only for its compliance with the Section 2.4 of the Bylaws of the University and its adequacy in regard to Christian ethics, prudence, and other governing documents. All recommendations that fall within the Board policies shall be automatically ratified by the Board as Approved Through Policy.

3.2 Actions Requiring Board Approval

This is a listing of the actions that need Board approval, as delineated through other governing documents or these policies.

3.2.1 Policy Based Approvals

These are the areas that are acceptable as long as they meet Board policies and those policies have been currently reviewed for their compliance with the Section 2.4 of the Bylaws of the University and their adequacy in regard to Christian ethics, prudence, and other governing documents.

3.2.1.1 Annual Plans

3.2.1.2 Academic Programs

3.2.1.3 Annual Budgets

3.2.1.4 Fiscal Arrangements and Internal Transfer of Funds

3.2.1.5 Faculty Members, Appointments, Extensions, Sabbatical and Study Leaves

3.2.1.6 Appointment of the Business Manager

3.2.1.7 Regulations of Off Campus Activities by Staff and employees

3.2.1.8 Policies on Student Life Activities

3.2.1.9 Creation of and Appointments to Administration Positions

3.2.2 Board Decisions

These are areas which, because of their unique nature, or requirement of Bylaws, the board must decide independently.

3.2.2.1 Recommending amendments to the Concordia University Texas Bylaws

3.2.2.2 Approving the settlement of uninsured lawsuit settlements and legal claims in excess of \$100,000

3.2.2.3 Electing the prescribed members of its own Board

3.2.2.4 Selection of a Public Accounting firm to perform annual audits

3.2.2.5 Appointment of one or more Senior Vice Presidents or an Interim President/CEO

to perform the duties of the President/CEO at all times that the position of the President/CEO is vacant

3.2.2.6 Electing officers of the Corporation

3.2.2.7 Deadlines for corrective actions of exceeded Executive Limitations (Ref. Policy 3.4.2.)

3.2.2.8 Any loan or financial or capital lease agreement must be approved by the Board of Regents for the following:

- facility or equipment repairs
- capital improvements
- purchase of equipment
- new building construction

3.2.2.9 Significant naming recognition of facilities, programs, and services

3.2.2.10 Bestowing the award of honorary doctorate (note: honorary doctorate will only be awarded once Concordia University Texas is accredited to award the academic doctorate degree)

3.2.2.11 Defining the mission of the University. At a minimum, the mission of the University shall be reviewed by the Board of Regents every three years in the academic year that immediately precedes the meeting of the Texas District LCMS Convention. Other circumstances such as the implementation of a new strategic plan may necessitate that the Board review the mission of the University at other times in addition to this three-year interval. Following such review, the Board shall vote to either reaffirm the current mission of the University or shall vote to implement a new mission statement. Any changes to the mission of the University must be approved by the Board of Regents.

3.2.2.12 Approving of any proposed contract with total expenditures of \$3M or more per year and/or projected revenues/expenses of \$9M over two or more years or any proposed contract with a term exceeding five years

3.3 Executive Accountability

The President/CEO shall be accountable to the Board for:

- 3.3.1 Achievement of Outcomes through personal and staff action as established in Outcomes Policies
- 3.3.2 Compliance of personal and staff actions to limits established in Executive Limitations Policies
- 3.3.3 Provision of adequate counsel and information to the Board through personal and staff action, covering social, legal, or all other relevant issues to the Board's decision areas
- 3.3.4 Relating with integrity, honesty, and straightforwardness to the Board and all constituents of Concordia University Texas

3.4 Exceeding Executive Limitations

When Executive Limitation Policies are exceeded, the Board shall focus on corrective rather than disciplinary action. The Board shall not take authority for the correction of exceeded Executive Limitations, but rather will work through the President/CEO. The President/CEO is to take initiative and responsibility to monitor, inform, and correct, as well as develop preventive systems.

3.4.1 Notice of Exceeding a Limitation

The President/CEO shall give an immediate notice to the Chairman of the Board once a Limitation has been recognized to have been exceeded. If the Limitation has been exceeded for an unreasonable period of time and has gone unnoticed, the President/CEO shall develop a better monitoring system.

3.4.2 Corrective Action

If the exceeded Limitation is immediately correctable, the President/CEO shall take the necessary actions within policies and report the results to the Board.

If the exceeded Limitation is not immediately correctable, the President/CEO shall establish and implement corrective actions, reporting them and gaining approval of a deadline for complete correction from the Board. The President/CEO shall continue to report to the Chairman in a timely fashion on the actions taken and their results until the exceeded Limitation is corrected. The President/CEO shall give immediate notice to the Chairman when it is recognized that a deadline shall be missed and provide a new plan of action for Board approval.

The President/CEO is not limited in the resources, whether internal or external to the organization, that he may employ to correct the exceeded Limitation except through the Limitation Policies. However, the President/CEO is accountable for the results of the use of the resources at all times. The President/CEO shall develop processes to avoid the exceeding of Limitations. The Board shall not dictate what are appropriate actions by the President/CEO except for compliance with policies. **The Board shall not allow exceptions to policies, but the Board shall rewrite policies when appropriate.**

The Board shall not enact any punitive actions, other than what is appropriate in a performance review.

After a recurrence of an exceeded Limitation, continuing to exceed a Limitation through a missed deadline, or exceeding a number of different Limitations, the Chairman shall conduct (1) a performance evaluation of the President/CEO and (2) a Board discussion about the President/CEO's performance.

- 3.4.3 If in the judgment of the Chairman of the Board of Regents, the President/CEO has exceeded an Executive Limitation as defined in the Board Policy Manual Policy 4, or the President/CEO's relationship to the Board as defined in Policy 3, the Chairman shall:

Discuss it with the President/CEO and work to reach an agreement on the issue and also on corrective action, if required.

If no agreement can be reached, the Chairman shall call a meeting with the Vice Chairman and the President/CEO to resolve the issue.

With the concurrence of the Vice Chairman, the Chairman is authorized to bring the matter to the attention of the full board for their consideration of any collective action.

3.5 Means of Monitoring/Assessment

The Board shall employ these avenues of monitoring:

3.5.1 Management Reports

(These are periodic statements, overviews, that provide information and counsel to the Board on programs, trends and developments that may affect its work and which report on executive compliance with Board policies.)

3.5.1.1 The President/CEO shall report yearly on the state of Concordia University Texas, which will include the economic and demographic conditions and trends that affect Concordia University Texas.

3.5.1.2 The President/CEO shall report quarterly on the activities and plans of Concordia University Texas.

3.5.2 Direct Monitoring/Assessment

3.5.2.1 The President/CEO shall report yearly on the Outcomes of the University.

3.5.2.2 The President/CEO shall provide to the Board quarterly financial statements organized and presented around the financial condition policies (4.1, 4.2 and 4.3).

3.5.2.3 The President/CEO shall provide to the Board current operating and capital budgets as they are developed. The capital budget report should specify the amount to be funded out of operations, the amount to be funded by loans, and the amount to be funded by gifts and bequests.

3.5.2.4 The President/CEO shall provide new University organizational structures or new job descriptions for senior management as they are developed with an explanation of the responsibilities assigned.

3.5.2.5 The President/CEO shall provide to the Board the current strategic plan after it is developed.

3.5.2.6 The President/CEO shall keep the board informed about its current alignment with the Lutheran Church – Missouri Synod.

3.5.2.7 The President/CEO shall keep the board informed about the current curriculum strategy.

3.5.2.8 The President/CEO shall keep the board informed about the current facilities strategy.

3.5.2.9 The President/CEO shall keep the board informed about the current personnel policies.

4. Executive Limitation Policies

These are the constraints placed on the President/CEO's efforts to achieve the outcome policies. The Mega-Limitation is further defined by the sections that follow it. These sections are not mutually exclusive; they do not limit actions independently. Each section is further limited by all other sections.

Unless restricted in the Executive Limitation Policies, all actions are acceptable.

Mega-Limitation:

Management of Concordia University Texas shall not act in a manner that is inconsistent with its Articles of Incorporation, Section 2.4 of the Bylaws of the University, these Policies, or considered unethical or imprudent.

4.1 Financial Condition

With respect to operating Concordia University Texas in a sound and prudent fiscal manner, the President/CEO shall not jeopardize the long-term financial strength of the organization. Accordingly:

- 4.1.1 The President/CEO shall not allow the year-end financial result to provide less than a 1% margin.
- 4.1.2 The President/CEO shall not allow overall tuition and fees that do not accomplish the outcomes of the institution.
- 4.1.3 The President/CEO shall not allow restricted funds to be used for any purpose other than that for which the funds were designated.
- 4.1.4 The President/CEO shall not allow deviations from generally accepted accounting principles as adopted by the Financial Accounting Standards Board.
- 4.1.5 The President/CEO shall not fail to provide the Board of Regents a written repayment plan for established loans.
- 4.1.6 The President/CEO shall not fail to follow the Board's Endowment Investment Policy in the management of the endowment.

4.2 Financial Forecasting/Budgeting

With respect to planning fiscal events (budgeting for all or any remaining part of a fiscal period), the President/CEO shall not jeopardize either programmatic or fiscal integrity of the organization. Accordingly, the President/CEO shall not cause or allow budgeting or financial forecasting which:

- 4.2.1 Contains too little detail to enable reasonably accurate projection of operating income and expenses, does not separate capital and operational items, provide for cash flow analysis, and subsequent audit trails.
- 4.2.2 Is built on unsound assumptions about future financial conditions.
- 4.2.3 The President/CEO shall not present to the Board nor operate under an annual budget reflecting less than a 1% gross margin [% gross margin = (net revenue – net expenses)/net revenue].

4.3 Services

With respect to developing and managing programs, partnerships, and services, the President/CEO shall not jeopardize the academic function, the organizational integrity of the University, or the alignment of the University with the Lutheran Church – Missouri Synod.

4.4 Advancement

In efforts toward fund development:

- 4.4.1 The President/CEO shall not allow a primary focus other than Christian Stewardship principles.
- 4.4.2 The President/CEO shall not allow Christian or generally accepted ethical and legal standards that govern development efforts to be violated.
- 4.4.3 The President/CEO shall not allow attorneys on staff or Board to act as legal counsel for donors or the University.
- 4.4.4 The President/CEO or his designee shall not fail to immediately receipt all gifts and bequests.
- 4.4.5 The President/CEO shall not accept gifts or bequests of real property unless they are fiscally prudent.
- 4.4.6 The President/CEO shall not fail to require, and review, monthly reports reflecting the annual goals and the actual funds received to date for each fund development segment. The President/CEO shall not fail to furnish a status summary of these reports to the Board of Regents at each regular meeting, unless requested otherwise.

4.5 Human Resources

In relating to employees:

- 4.5.1 The President/CEO shall not allow deviations from state or federal law or regulations in the fair and equitable treatment of employees.
- 4.5.2 The President/CEO shall not fail to establish a process whereby employees are given a fair opportunity to express grievances or report illegal behavior.
- 4.5.3 The President/CEO shall not allow the confidentiality of employee records to be broken.
- 4.5.4 The President/CEO shall not fail to have employees informed of their responsibilities and duties.
- 4.5.5 The President/CEO shall not allow positions to be undefined or inaccurately reflect the responsibility and tasks given to the position.
- 4.5.6 The President/CEO shall not allow positions to exist that do not contribute to the mission of the University.
- 4.5.7 The President/CEO shall not allow remuneration to employees to be below the average of comparable institutions.
- 4.5.8 The President/CEO shall not fail to obtain written employee acknowledgement of having read the Employee Handbook and the Faculty Handbook.
- 4.5.9 The President/CEO shall not fail to encourage all faculty and staff to take advantage of their eligibility under the Concordia provided health plan to seek annual physical exams and wellness counsel.
- 4.5.10 The President/CEO shall not fail to maintain a Key Management Medical Examination program for the President/CEO and executive team.
 - 4.5.10.1. The President/CEO shall not fail to discuss with Board Chair if a significant health risk exists with the President/CEO.
 - 4.5.10.2. The President/CEO shall not fail to submit an annual report to the board affirming that the Key Management Medical Examination policy has been complied with.

- 4.5.11 The President/CEO shall not fail to ensure that a) all employees sign the Conflict of Interest Statement at time of hire; b) the Conflict of Interest Statement is distributed and the Certificate of Compliance signed annually by all members of the President/CEO's executive team and vice-presidents; and c) all employees will be sent an annual reminder regarding CTX Conflict of Interest Statement that they have signed.
- 4.5.12 The President/CEO shall not fail to have a written plan for the uninterrupted continuation of presidential responsibilities during an extended absence (planned or unplanned). This plan shall be updated annually and shared with the Board.

4.6 Strategic Planning

In setting the direction and action plans of Concordia University Texas:

- 4.6.1 The President/CEO shall not allow strategic plans that contain too little detail to enable reasonably accurate projections and evaluations of actions and results.
- 4.6.2 The President/CEO shall not allow strategic plans to be developed less than once every five years or have an initial period of more than five years.
- 4.6.3 The President/CEO shall not fail to review strategic plans, once developed, every year for continuous accuracy and quality improvement.
- 4.6.4 The President/CEO shall not allow strategic plans that are unresponsive to the changing climate and conditions that affect Concordia University Texas.
- 4.6.5 The President/CEO shall not allow strategic plans that fail to assess the following items and how they will be addressed:
 - Physical needs
 - Academic/curricular/spiritual needs
 - Fiscal needs
 - Economic conditions and trends
 - Faculty needs
- 4.6.6 The President/CEO shall not allow strategic plans that fail to consider their financial impact.
- 4.6.7 The President/CEO shall not allow strategic plans that have a negative impact on Outcomes.

4.7 Property and Facilities

In managing the facilities for Concordia University Texas:

- 4.7.1 The President/CEO shall not fail to make a facilities strategy part of the overall strategic plan.
- 4.7.2 The President/CEO shall not fail to develop a campus master facilities plan.
- 4.7.3 The President/CEO shall not subject any facility to unreasonable risk of loss or damage.
- 4.7.4 The President/CEO shall not fail to effectively fund deferred maintenance.
- 4.7.5 The President/CEO shall not fail to protect and maintain the Preserve and the Friesenhahn Cave.

4.8 Management Policies and Procedures

In managing interaction between the University and its stakeholders,

- 4.8.1 The President/CEO shall not fail to establish management policies and procedures that protect the rights of the Students, the Employees, and the University.
- 4.8.2 The President/CEO shall not fail to establish management policies and procedures that define and operationalize admission and graduation requirements.
- 4.8.3 The President/CEO shall not fail to establish management policies and procedures for the selection and credentialing of faculty.
- 4.8.4 The President/CEO shall not fail to establish management policies and procedures that reflect effective and proper stewardship efforts in fund development.
- 4.8.5 The President/CEO shall not fail to keep the institution in compliance with its accreditation agencies.
- 4.8.6 The President/CEO shall not fail to ensure the University's Information Security Plan and all related policies and procedures are updated annually.
- 4.8.7 The President/CEO shall not fail to establish management policies and procedures that ensure ongoing alignment with the LCMS.

4.9 Student Life

In regulating and planning for student life and activities on and off campus:

- 4.9.1 The President/CEO shall not fail to consider the holistic needs of the students.
- 4.9.2 The President/CEO shall not fail to provide for the establishment and enhancement of the spiritual life of the students, in accordance with the Section 2.4 of the Bylaws of the University and its alignment with the Lutheran Church – Missouri Synod.
- 4.9.3 The President/CEO shall not fail to establish rules and procedures that deter illegal or immoral activities or activities inconsistent with Section 2.4 of the Bylaws of the University.
- 4.9.4 The President/CEO shall not fail to establish a plan and procedures to ensure the safety of the students.
- 4.9.5 The President/CEO shall not fail to establish a fair adjudication process for student grievances.
- 4.9.6 The President/CEO shall not fail to establish rules and procedures to prohibit hazing as defined in the Texas Statutes Education Code, Title 2, Chapter 37, Subchapter F.
- 4.9.7 The President/CEO shall not fail to ensure that the University remains in compliance with all federal, state, and local laws.
- 4.9.8 The President/CEO shall not fail to establish policies governing student organizations and shall present them to the Board on annual basis for its review and approval.

4.10 Faculty

In relating to and managing the faculty:

- 4.10.1 The President/CEO shall not fail to have faculty that are qualified for their positions.
- 4.10.2 The President/CEO shall not fail to ensure that the University employs a core of Lutheran faculty.
- 4.10.3 The President/CEO shall not fail to have at least one full time faculty with terminal degrees for each of the majors.
- 4.10.4 The President/CEO shall not fail to have at least 65% of the faculty with terminal degrees.
- 4.10.5 The President/CEO shall not fail to assure that the faculty's public teaching is in accord with Section 2.4 of the Bylaws of the University .
- 4.10.6 The President/CEO shall not fail to obtain written faculty acknowledgement of having read the Employee Handbook and the Faculty Handbook.
- 4.10.7 The President/CEO shall not fail to remain in compliance with accrediting agencies in regard to faculty expectations.

4.11 Alignment with the LCMS

In order that the University be aligned with the Lutheran Church – Missouri Synod

- 4.11.1 The President/CEO shall not fail to ensure all board members receive training in matters that pertain to the University Standards of Lutheran Identity.
- 4.11.2 The President/ CEO shall not fail to ensure all faculty members receive ongoing training and development on the University's alignment with the LCMS, the Lutheran Learning Model, and implementation of faith and learning.
- 4.11.3 The President/CEO shall not fail to facilitate a theological review of the University every three years. This theological review will be conducted by an external team of three reviewers appointed by the Board and will provide a written report to the board.
- 4.11.4 The President/CEO shall not fail to report annually to the Board of Regents on the University Standards of Lutheran Identity.
- 4.11.5 The President/CEO shall not fail to provide an annual report on alignment with the LCMS. This report may be shared with the LCMS and its entities.
- 4.11.6 The President/CEO shall not fail to seek out and engage in regular partnerships with LCMS entities that support the mission of the University.
- 4.11.7 The President/CEO shall not fail to provide for board approval of official institutional statements on matters connected with LCMS theology.